GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:5892
ANSWERED ON:02.05.2003
PROBLEMS OF SERICULTURISTS
C. SREENIVAASAN;PUTTASWAMY GOWDA;SRIKANTA DATTA NARASIMHARAJA WADIYAR

Will the Minister of TEXTILES be pleased to state:

(a) whether the sericulture farmers and reelers of Karnataka and other parts of the country are facing a lot of problems due to the drastic fall of price of cocoons and silk;

(b) if so, whether an all party delegation from Karnataka have submitted any memorandum to the Union Government in this regard;

(c) if so, the details thereof; and

(d) the action the Government propose to take to save the sericulture industry in the country?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI BASANAGOUDA R. PATIL (YATNAL)

(a) Yes, Sir. The sericulture farmers and reelers of Karnataka, Tamil Nadu, Andhra Pradesh, West Bengal and J & K etc. suffered financial losses due to drastic fall of prices of cocoons and raw silk.

(b) & (c) An all party delegation led by Chief Minister of Karnataka submitted a memorandum to the Union Government requesting for Government`s intervention in the matter, by enhancement of import duty on raw silk, greater vigilance on international borders to check illegal entry of silk into the country from Nepal and Bangladesh, more financial and technical support from CSB for development activities, creation of a revolving fund for operating an incentive scheme for cocoon rearers and a grant of Rs.5.00 crores from CSB to Karnataka Silk Industries Corporation Ltd. (KSIC) for cocoon purchase.

(d) The Government has taken the following steps to protect the interests of silk growers and prevent market disruption:-

1. The Directorate General of Anti-Dumping conducted preliminary investigations and recommended the imposition of antidumping duty. Government of India vide Customs` Notification No. 2/2003 dated 2nd January, 2003 imposed provisional antidumping duty equivalent to the difference between the amount of US $ 33.19 per kg and the landed value of imported mulberry raw silk (not thrown), 2A grade and below, originating in, or exported from, Peoples` Republic of China.

2. CSB operates Raw Material Banks and provides Margin Money Loan to the State Marketing Agencies to ensure fair price to primary farmers. Besides, in the major markets, State Government Agencies such as the Karnataka Silk Marketing Board play a stabilizing role by their presence in the Market;

3. During 2002-03 some State Governments provided incentive of Rs. 10/- per kg. of cocoons to farmers on cost sharing basis by the Centre and the respective State in the ratio of 50:50, in order to provide relief to farmers from falling prices and encourage them to continue in sericulture;

4. During the X plan period enhanced plan provision over the IX plan period has been made i.e. Rs. 450/- crores for development of Research & Technology and implementation of Central and Centrally Sponsored programmes.Under the Central & Centrally sponsored programmes, Central Silk Board assists the State Governments and beneficiaries by way of grants-in-aid and technology support for quality and quantitative enhancement of production of silk.